

## US extends aid to Namibia

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**THE United States of America will extend its aid to Namibia for another five years as part of President George W Bush's plans to increase assistance to developing countries by 50 per cent.**

Current US assistance to Namibia through the US Agency for International Development (USAID), to the tune of N\$80 million, was scheduled to end in September 2005.

USAID is the second largest bilateral donor to Namibia after Germany.

But USAID Director in Namibia, Diana Swain, said "because of Namibia's impressive performance record in promoting economic freedom, ruling justly and investing in its people, we were able to make the case to USAID in Washington to extend USAID's programme in Namibia beyond the original 2005 through to September 2010".

Swain told The Namibian yesterday that the assistance will be part of the new Millennium Challenge Account (MCA) that funds initiatives to improve the economies and standards of living in qualified developing countries.

"The goal of the MCA is to reward sound policy decisions that support economic growth and reduce poverty," she said.

Swain said Bush had instructed the Secretary of State and the Secretary of Treasury to develop a set of "clear, concrete and objectives criteria for measuring progress".

She said USAID will present its budget proposal for Namibia to Washington in June when a scenario of what Namibia's economic, social, environmental and political situation has been developed by a Namibian consultant, Christiaan Keulder, and a US consultancy group, SRI International.

"Hopefully by then we will have a better understanding of the context in which we will be operating and be better able to target our resources in helping Namibia to meet the development challenges that Namibians see ahead," Swain said.

MCA funds will be distributed to developing countries that demonstrate a commitment toward good governance, the health and education of people and sound economic policies that foster enterprise and entrepreneurship.